

THE WEISER LAW FIRM, P.C.
 ROBERT B. WEISER
 BRETT D. STECKER
 JAMES M. FICARO
 22 Cassatt Avenue
 Berwyn, PA 19312
 Telephone: (610) 225-2677
 Facsimile: (610) 408-8026
 rw@weiserlawfirm.com
 bds@weiserlawfirm.com
 jmf@weiserlawfirm.com

CARLSON LYNCH SWEET
 KILPELA & CARPENTER, LLP
 Todd D. Carpenter (CA 234464)
 1350 Columbia Street, Ste. 603
 San Diego, CA 92101
 Telephone: (619) 762-1910
 Facsimile: (619) 756-6991
 tcarpenter@carlsonlynch.com

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
 SAN JOSE DIVISION

JOHN MOULTON, Derivatively on Behalf of)
 A10 NETWORKS, INC.,)

Plaintiff,)

vs.)

LEE CHEN, PETER Y. CHUNG, ROBERT)
 COCHRAN, ALAN S. HENRICKS, PHILLIP)
 J. SALSURY, GREG STRAUGHN, SHIVA)
 NATARAJAN, and TOM CONSTANTINO,)

Defendants,)

– and –)

A10 NETWORKS, INC.,)

Nominal Party.)

Case No. 5:18-cv-03223

VERIFIED SHAREHOLDER DERIVATIVE
 COMPLAINT FOR BREACH OF FIDUCIARY
 DUTY AND UNJUST ENRICHMENT

JURY TRIAL DEMANDED

NATURE OF THE ACTION

1. Plaintiff John Moulton (“Plaintiff”), by and through his undersigned attorneys, hereby submits this Verified Shareholder Derivative Complaint (the “Complaint”) for the benefit of nominal defendant A10 Networks, Inc. (“A10” or the “Company”) against certain members of its Board of Directors (the “Board”) and executive officers seeking to remedy defendants’ breaches of fiduciary duties and unjust enrichment from October 2015 to the present (the “Relevant Period”).

2. According to its public filings A10 offers software and hardware solutions to national and international customers. According to its website, the Company’s products allow more than 5,800 customers to protect their networks “against modern cyber threats,” heighten “application security and performance,” and enhance “scalability and availability of applications.” A10 claims it has secured more than 100 patents and has a presence in 80 countries around the world.

3. On January 16, 2018, A10 issued the press release, “A10 Networks Announces Preliminary Fourth Quarter 2017 Results.” The press release revealed that the Company expected revenue for 2017 *under* its previously issued guidance. The press release specifically noted that “A10 Networks expects total revenue in the fourth quarter 2017 to be between \$55.5 million and \$56.0 million, below its prior guidance of \$64.0 million to \$67.0 million.” The Company’s Chief Executive Officer (“CEO”) Lee Chen (“Chen”) stated in the same press release that “[w]e are disappointed with our revenue results for the quarter, which were below our guidance primarily due to a shortfall in North America sales as we experienced lower than expected seasonal demand trends in the region.”

4. Less than two weeks later, on January 30, 2018, A10 issued a press release entitled, “A10 Networks Announces Postponement of 2017 Fourth Quarter and Full Year Earnings Release and Conference Call” which revealed the Company’s Audit Committee was investigating the Company’s revenue recognition practices for the fourth quarter of 2015. The January 30, 2018 press release stated in pertinent part:

In the fourth quarter of 2017, the Company determined that a mid-level employee within its finance department had violated the Company’s Insider Trading Policy and Code of Conduct. As a result, the Company, with the assistance of outside counsel, conducted an email review and additional procedures to ensure the accuracy of its reporting of financial information for 2017. Such review and procedures did not identify matters

1 that required material adjustments to be made. Nonetheless, the Company's Audit
 2 Committee determined that further review and procedures relating to certain accounting
 3 and internal control matters should be undertaken. The Audit Committee's investigation,
 4 which is being conducted with the assistance of outside counsel, is principally focused
 on certain revenue recognition matters from the fourth quarter of 2015 through the
 fourth quarter of 2017 inclusive.

5 5. On this news, shares of A10 fell \$0.86 per share, or over 12%, from its previous closing
 6 price to close at \$6.13 per share on January 31, 2018.

7 6. On March 16, 2018 the Individual Defendants caused the Company to announce that the
 8 Audit Committee's investigation would lead to a delay in the Company's required filing with the
 9 Securities and Exchange Commission ("SEC").

10 SAN JOSE, Calif.--(BUSINESS WIRE)--A10 Networks (NYSE: ATEN) today
 11 announced that it will delay the filing with the Securities and Exchange Commission of
 12 its Annual Report on Form 10-K for the year ended December 31, 2017, beyond the
 filing's due date.

13 As previously disclosed, the company's Audit Committee, with the assistance of outside
 14 counsel, is conducting an investigation regarding certain revenue recognition and
 15 internal control matters. The investigation is focused on the time period of the fourth
 16 quarter of 2015 through the fourth quarter of 2017 inclusive. The Audit Committee has
 17 not reached any conclusions because the investigation is ongoing. Consequently, the
 18 company is not in a position to file the Form 10-K until after the completion of the
 Audit Committee's investigation. While the company continues to work expeditiously to
 conclude this review and to file the Form 10-K as soon as practical, it does not
 anticipate filing its Form 10-K within the 15-day extension period provided under Rule
 12b-25(b).

19 7. Accordingly, as a result of defendants' breaches, the Company has been damaged.

20 JURISDICTION AND VENUE

21 8. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332(a) in that
 22 Plaintiffs and defendants are citizens of different states and/or countries and the matter in controversy
 23 exceeds \$75,000.00, exclusive of interests and costs. This Court has supplemental jurisdiction over the
 24 state law claims asserted herein pursuant to 28 U.S.C. §1367(a). This action is not a collusive one to
 25 confer jurisdiction on a court of the United States which it would not otherwise have.

26 9. Venue is proper in this district because a substantial portion of the transactions and
 27 wrongs complained of herein, including defendants' primary participation in the wrongful acts detailed
 28

1 herein, occurred in this district. One or more of the defendants either resides in or maintains executive
2 offices in this district, and defendants have received substantial compensation in this district by
3 engaging in numerous activities and conducting business here, which had an effect in this district.
4 Additionally, nominal defendant A10 is headquartered in this district.

5 **THE PARTIES**

6 10. Plaintiff is a shareholder of A10 and has continuously held A10 stock since April 2014.
7 Plaintiff is a citizen of Illinois.

8 11. Nominal defendant A10 is a Delaware corporation with its executives office located at 3
9 West Plumeria Drive, San Jose, CA 95134. According to its public filings, the Company offers
10 software and hardware solutions to national and international customers.

11 12. Defendant Chen is the Company's CEO and a director of the Company since 2004.
12 Upon information and belief, defendant Chen is a citizen of California.

13 13. Defendant Peter Y. Chung ("Chung") has served as a director for the Company since
14 2013. Chung serves as a member of the Company's Audit Committee. Upon information and belief,
15 defendant Chung is a citizen of California.

16 14. Defendant Robert Cochran ("Cochran") has served as a director for the Company since
17 2012. Upon information and belief, defendant Cochran is a citizen of California.

18 15. Defendant Alan S. Henricks ("Henricks") has served as a director for the Company since
19 2014. Henricks serves as a member of the Company's Audit Committee. Upon information and
20 belief, defendant Henricks is a citizen of California.

21 16. Defendant Phillip J. Salsbury ("Salsbury") has served as a director for the Company
22 since 2013. Salsbury serves as a member of the Company's Audit Committee. Upon information and
23 belief, defendant Salsbury is a citizen of California.

24 17. Defendant Greg Straughn ("Straughn") was A10's Chief Financial Officer ("CFO") from
25 the beginning of the Class Period until February 9, 2017 . Upon information and belief, defendant
26 Straughn is a citizen of California.

1 18. Defendant Shiva Natarajan (“Natarajan”) served as A10’s interim CFO from February
2 2017 until June 2017. Upon information and belief, defendant Natarajan is a citizen of California.

3 19. Defendant Tom Constantino (“Constantino”) has been A10’s CFO since June 2017.
4 Upon information and belief, defendant Constantino is a citizen of California.

5 20. Collectively, defendants Chung, Henricks, and Salsbury shall be referred to herein as the
6 “Audit Committee Defendants.”

7 **DEFENDANTS’ DUTIES**

8 21. By reason of their positions as officers, directors, and/or fiduciaries of A10 and because
9 of their ability to control the business and corporate affairs of A10, Defendants owed A10 and its
10 shareholders fiduciary obligations of good faith, loyalty, and candor, and were and are required to use
11 their utmost ability to control and manage A10 in a fair, just, honest, and equitable manner.
12 Defendants were and are required to act in furtherance of the best interests of A10 and its shareholders
13 so as to benefit all shareholders equally and not in furtherance of their personal interest or benefit. Each
14 director and officer of the Company owes to A10 and its shareholders the fiduciary duty to exercise
15 good faith and diligence in the administration of the affairs of the Company and in the use and
16 preservation of its property and assets, and the highest obligations of fair dealing.

17 22. Defendants, because of their positions of control and authority as directors and/or
18 officers of A10, were able to and did, directly and/or indirectly, exercise control over the wrongful acts
19 complained of herein. Because of their advisory, executive, managerial, and directorial positions with
20 A10, each of the Defendants had knowledge of material non-public information regarding the
21 Company.

22 23. To discharge their duties, the officers and directors of A10 were required to exercise
23 reasonable and prudent supervision over the management, policies, practices and controls of the
24 Company. By virtue of such duties, the officers and directors of A10 were required to, among other
25 things:

(a) Exercise good faith to ensure that the affairs of the Company were conducted in an efficient, business-like manner so as to make it possible to provide the highest quality performance of their business;

(b) Exercise good faith to ensure that the Company was operated in a diligent, honest and prudent manner and complied with all applicable federal and state laws, rules, regulations and requirements, and all contractual obligations, including acting only within the scope of its legal authority; and

(c) When put on notice of problems with the Company's business practices and operations, exercise good faith in taking appropriate action to correct the misconduct and prevent its recurrence.

24. Pursuant to the Audit Committee's Charter, the members of the Audit Committee are required, *inter alia*, to:

(a) Reviewing the reports of management, internal audit and the independent auditors concerning the design, implementation and maintenance of the Company's internal controls and procedures for financial reporting, including meeting periodically with the Company's management, internal audit and the independent auditors to review their assessment of the adequacy of such controls and to review before release the disclosure regarding such system of internal controls required under SEC rules to be contained in the Company's periodic filings and the attestations or reports by the independent auditors relating to such disclosure;

(b) Reviewing and providing oversight of the external audit by (i) reviewing the independent auditors' proposed audit scope and approach; (ii) discussing with the Company's independent auditors the financial statements and audit findings, including any significant adjustments, management judgments and accounting estimates, significant new accounting policies, disagreements with management and any other required communications described in applicable accounting standards; (iii) reviewing with the independent auditors the Company's critical accounting policies and practices, alternative treatments of financial information within generally accepted accounting principles that have been discussed with management and the treatment recommended by the independent auditors, and

1 other material written communications between the independent auditors and management; and (iv)
2 reviewing reports submitted to the Audit Committee by the independent auditors in accordance with
3 applicable SEC requirements;

4 (c) Reviewing and discussing with management and the independent auditors the
5 annual audited financial statements and quarterly unaudited financial statements, including the
6 Company's disclosures under "Management's Discussion and Analysis of Financial Condition and
7 Results of Operations," prior to filing the Company's Annual Report on Form 10-K and Quarterly
8 Reports on Form 10-Q, respectively, with the SEC;

9 (d) Recommending to the Board, if deemed appropriate, that the audited financial
10 statements be included in the Company's Annual Report on Form 10-K, in accordance with the rules
11 and regulations of the SEC;

12 (e) Conducting a post-audit review of the financial statements and audit findings,
13 including any suggestions for improvements provided to management by internal audit or the
14 independent auditors, and management's response to such suggestions;

15 (f) Reviewing, prior to announcement, Company press releases and other disclosures
16 containing financial information for the purpose of ensuring that such press releases and other
17 disclosures properly disclose financial information presented in accordance with GAAP and, to the
18 extent non-GAAP information is included, adequately disclose how such non-GAAP information
19 differs from the comparable GAAP information and ensure that disclosure of such non-GAAP
20 information is not given undue prominence and that such non-GAAP information does not provide a
21 misleading presentation of the Company's results of operations or financial condition; and

22 (g) Establishing procedures for receiving, retaining and treating complaints received
23 by the Company regarding accounting, internal accounting controls or auditing matters and procedures
24 for the confidential, anonymous submission by employees of concerns regarding questionable
25 accounting or auditing matters.

SUBSTANTIVE ALLEGATIONS

A. Background of the Company

25. According to its public filings, the Company offers software and hardware solutions to national and international customers. According to its website, the Company's products allow more than 5,800 customers to protect their networks "against modern cyber threats," heighten "application security and performance," and enhance "scalability and availability of applications." A10 claims it has secured more than 100 patents and has a presence in 80 countries around the world.

B. The Truth Emerges

26. On January 16, 2018, A10 issued the press release, "A10 Networks Announces Preliminary Fourth Quarter 2017 Results." The press release revealed that the Company expected revenue for 2017 under its previously issued guidance stating relevant part:

SAN JOSE, Calif., Jan. 16, 2018 - A10 Networks, Inc. (NYSE: ATEN), a Secure Application Services™ company, today announced preliminary results for the fourth quarter ended Dec. 31, 2017.

A10 Networks expects total revenue in the fourth quarter 2017 to be between \$55.5 million and \$56.0 million, below its prior guidance of \$64.0 million to \$67.0 million.

The company expects to report GAAP net income in the range of break-even to \$0.01 per share. On a non-GAAP basis, the company expects to report net income between \$0.05 and \$0.06 per share, using approximately 74.6 million diluted shares, which is within the previous guidance for non-GAAP net income of \$0.01 to \$0.07 per share, using approximately 74.0 million shares on a diluted basis. GAAP and non-GAAP net income results include a benefit from performance-based variable compensation. A preliminary reconciliation between GAAP and non-GAAP information is contained in the financial statements below.

"We are disappointed with our revenue results for the quarter, which were below our guidance primarily due to a shortfall in North America sales as we experienced lower than expected seasonal demand trends in the region. Despite this shortfall, we increased our cash and cash equivalents by \$6.6 million, and continued to see strength for our security solutions," said Lee Chen, president and chief executive officer of A10 Networks. "Over the past two quarters, we have implemented a number of changes across the organization to help improve our execution and expand our presence in security to drive growth. We are making progress on these initiatives and continuing to work to align our sales and enablement engine with the growth opportunities in our market. As part of these initiatives, we have brought in Chris White to lead our global sales team, effective January 2, 2018. Chris is an accomplished sales executive with a long career in the cybersecurity industry, and his expertise in sales and channel leadership will be a solid asset to A10."

(Emphasis added)

27. On this news, shares of A10 fell \$0.99 per share, or over 13%, from its previous closing price to close at \$6.32 per share on January 17, 2018.

28. On January 30, 2018, A10 issued a press release entitled, “A10 Networks Announces Postponement of 2017 Fourth Quarter and Full Year Earnings Release and Conference Call” which further revealed the Company’s Audit Committee was investigating the Company’s revenue recognition practices for the fourth quarter of 2015, stating in relevant part:

In the fourth quarter of 2017, the Company determined that a mid-level employee within its finance department had violated the Company’s Insider Trading Policy and Code of Conduct. As a result, the Company, with the assistance of outside counsel, conducted an email review and additional procedures to ensure the accuracy of its reporting of financial information for 2017. Such review and procedures did not identify matters that required material adjustments to be made. ***Nonetheless, the Company’s Audit Committee determined that further review and procedures relating to certain accounting and internal control matters should be undertaken. The Audit Committee’s investigation, which is being conducted with the assistance of outside counsel, is principally focused on certain revenue recognition matters from the fourth quarter of 2015 through the fourth quarter of 2017 inclusive.***

The investigation is in its early stages. The Company is not able to provide a date as to when it will be completed, nor provide any assurance that the Company will not determine that material adjustments to its past financial statements are appropriate.

At the conclusion of the Audit Committee’s investigation, the Company will announce the scheduling of a conference call to discuss full financial results for the 2017 fourth quarter and full year.

(Emphasis added)

29. On this news, shares of A10 fell \$0.86 per share, or over 12%, from its previous closing price to close at \$6.13 per share on January 31, 2018.

30. On March 16, 2018 the Individual Defendants caused the Company to announce that the Audit Committee’s investigation would lead to a delay in the Company’s required filing with the Securities and Exchange Commission (“SEC”).

SAN JOSE, Calif.--(BUSINESS WIRE)--A10 Networks (NYSE: ATEN) today announced that it will delay the filing with the Securities and Exchange Commission of

1 its Annual Report on Form 10-K for the year ended December 31, 2017, beyond the
2 filing's due date.

3 31. As previously disclosed, the company's Audit Committee, with the assistance of outside
4 counsel, is conducting an investigation regarding certain revenue recognition and internal control
5 matters. The investigation is focused on the time period of the fourth quarter of 2015 through the fourth
6 quarter of 2017 inclusive. The Audit Committee has not reached any conclusions because the
7 investigation is ongoing. Consequently, the company is not in a position to file the Form 10-K until
8 after the completion of the Audit Committee's investigation. While the company continues to work
9 expeditiously to conclude this review and to file the Form 10-K as soon as practical, it does not
10 anticipate filing its Form 10-K within the 15-day extension period provided under Rule 12b-25(b).

11 **C. Alleged False and Misleading Statements**

12 32. On February 9, 2016, A10 issued a press release entitled "A10 Networks, Inc. Reports
13 Record Revenue" which discussed the Company's fourth quarter of 2015 revenue stating in relevant
14 part:

15 **Fourth Quarter 2015 Financial Highlights**

- 16 • Record revenue of \$56.6 million, up 25 percent year-over year
- 17 • Record product revenue of \$39.5 million, increasing 22 percent year-over-year
- 18 • Added over 200 new end-customers in the quarter, reaching over 4,700 total end-customers

19 "The fourth quarter was a strong close to the year and we are pleased with our
20 momentum driven by our continued execution and innovation," said Lee Chen,
21 president and chief executive officer of A10 Networks. "Revenue in the fourth quarter
22 exceeded our guidance and we achieved our third consecutive quarter of record revenue,
23 while significantly improving our bottom line year-over-year. Our results this quarter
24 were driven by a broad-based increase in demand across our ADC, CGN and TPS
solutions. For the full year we added over 800 new customers, continued to expand our
market opportunities and widened our technology leadership with innovations and
industry firsts that map directly to some of the fastest growing networking and security
market trends."

25 ***Total revenue for the fourth quarter grew to a record \$56.6 million, up 25 percent***
26 ***when compared with \$45.2 million in the fourth quarter of 2014. Total revenue for***
the year 2015 was \$199.0 million, an increase of 11 percent, compared with \$179.5
million reported for the year 2014.

27 On a GAAP basis, A10 Networks reported a net loss for the fourth quarter 2015 of \$7.4
28 million or \$0.12 per share, compared with a net loss of \$16.0 million or \$0.26 per share

1 in the fourth quarter of 2014. The company reported GAAP net loss attributable to
 2 common shareholders of \$40.0 million or \$0.64 per share for the year 2015, compared
 3 with a GAAP net loss attributable to common stockholders of \$35.9 million or \$0.74 per
 4 share for the year 2014. Non-GAAP net loss for the fourth quarter of 2015 was \$3.7
 5 million or \$0.06 per share, compared with a non-GAAP net loss of \$12.0 million or
 6 \$0.20 per share in the fourth quarter of 2014. Non-GAAP net loss for 2015 was \$22.5
 7 million or \$0.36 per share, compared with a Non-GAAP net loss of \$29.3 million or
 8 \$0.51 per share for the year 2014. A reconciliation between GAAP and non-GAAP
 9 information is contained in the financial statements below.
 10 (emphasis added).

11 33. On March 1, 2016, A10 filed its annual report on Form 10-K with the SEC for the year
 12 ended December 31, 2015 (the “2015 10-K”) which provided the Company’s annual financial results
 13 and position and included the revenue from the fourth quarter of 2015. The 2015 10-K was signed by
 14 Defendants Chen and Straughn and contained signed certifications pursuant to the Sarbanes-Oxley Act
 15 of 2002 (“SOX”) by Chen and Straughn. The 2015 10-K discussed revenue recognition and seasonality
 16 of revenue, stating in relevant part:

17 **Revenue Recognition**

18 We derive revenue from two sources: (i) products revenue, which includes hardware and
 19 perpetual software license revenue; and (ii) services revenue, which include post
 20 contract support (“PCS”), professional services, and training. A substantial portion of
 21 our revenue is from sales of our products and services through distribution channel
 22 partners, such as resellers and distributors. Revenue is recognized, net of applicable
 23 taxes, when all of the following criteria are met: persuasive evidence of an arrangement
 24 exists, delivery or performance has occurred, the sales price is fixed or determinable,
 25 and collection is reasonably assured. We define each of the four criteria above as
 26 follows:

27 • ***Persuasive evidence of an arrangement exists.*** Evidence of an arrangement consists
 28 of a purchase order issued pursuant to the terms and conditions of a master sales
 agreement.

• ***Delivery or performance has occurred.*** We use shipping documents or written
 evidence of customer acceptance, when applicable, to verify delivery or performance.
 We recognize product revenue upon transfer of title and risk of loss, which primarily is
 upon shipment to customers. We do not have significant obligations for future
 performance, such as customer acceptance provisions, rights of return, or pricing credits,
 associated with our sales.

• ***The sales price is fixed or determinable.*** We assess whether the sales price is fixed or
 determinable based on payment terms and whether the sales price is subject to refund or
 adjustment. Standard payment terms to customers range from 30 to 90 days.

• ***Collection is reasonably assured.*** We assess probability of collection on a customer-
 by-customer basis. Our customers are subjected to a credit review process that evaluates
 their financial condition and ability to pay for products and services.

1 PCS revenue includes arrangements for software support and technical support for our
 2 products. PCS is offered under renewable, fee-based contracts, which include technical
 3 support, hardware repair and replacement parts, bug fixes, patches, and unspecified
 4 upgrades on a when-and-if available basis. Revenue for PCS services is recognized on a
 straight-line basis over the service contract term, which is typically one year, but can be
 up to five years. Unearned PCS revenue is included in deferred revenue.

5 Professional service revenue primarily consists of the fees we earn related to installation
 6 and consulting services. We recognize revenue from professional services upon delivery
 or completion of performance. Professional service arrangements are typically short
 term in nature and are largely completed within 30 to 90 days from the start of service.

7 34. The 2015 10-K discussed internal controls, stating in relevant part:

8 Based on the assessment, our management has concluded that its internal control over
 9 financial reporting was effective as of December 31, 2015 to *provide reasonable*
 10 *assurance regarding the reliability of financial reporting and the preparation of*
financial statements in accordance with GAAP.

11 (Emphasis added).

12 35. On April 28, 2016, A10 issued a press release entitled, “A10 Networks, Inc. Reports
 13 First Quarter 2016 Results” which included the Company’s revenue for the first quarter of 2016, stating
 14 in relevant part:

15 **First Quarter 2016 Financial Highlights**

- 16 • Revenue of \$53.8 million, up 22 percent year-over-year
- 17 • Record enterprise revenue of \$32.2 million, increased 29 percent year-over-year
- 18 • Strong product revenue of \$36.4 million, up 19 percent year over-year
- 19 • Record total deferred revenue of \$74.8 million, increased 25% year-over-year
- 20 • Cash and marketable securities increased to \$107.5 million, up from \$85.6 million at
- 21 March 31, 2015

22 “The first quarter was a strong start to the year as we continued to build on our solid
 23 momentum,” said Lee Chen, president and chief executive officer of A10 Networks.
 24 “Our high-end security product portfolio and cloud-based solutions continue to gain
 25 traction with customers and partners and this is contributing to our success in growing
 the business. Additionally, with our continued topline growth and disciplined approach
 to managing costs, we improved our bottom line by 55% year-over-year and generated
 strong cash flow from operations. We are pleased with our execution and strong first
 quarter results and are encouraged by our progress as we enter the second quarter.”

26 Total revenue for the first quarter grew to \$53.8 million, up 22 percent when compared
 27 with \$44.0 million in the first quarter of 2015. On a GAAP basis, A10 Networks
 28

1 reported a net loss for the first quarter 2016 of \$9.5 million, or \$0.15 per share,
 2 compared with a net loss of \$13.7 million, or \$0.22 per share, in the first quarter of
 3 2015. Non-GAAP net loss for the first quarter of 2016 was \$4.1 million, or \$0.06 per
 4 share, compared with a non-GAAP net loss of \$9.1 million, or \$0.15 per share, in the
 first quarter of 2015. A reconciliation between GAAP and non-GAAP information is
 contained in the financial statements below. (Emphasis added)

5 36. On May 5, 2016, A10 filed its quarterly report on Form 10-Q with the SEC for quarter
 6 ending March 31, 2016 (the “1Q16 10-Q”). The 1Q16 10-Q was signed by Defendants Chen and
 7 Straughn and contained signed SOX certifications by Chen and Straughn. The 1Q16 10-Q discussed
 8 revenue recognition and seasonality of revenue, stating in relevant part:

9 **Revenue**

10 Our products revenue primarily consists of revenue from sales of our hardware
 11 appliances upon which our software is installed. Such software includes our ACOS
 12 software platform plus one of our ADC, CGN, TPS or CFW solutions. Purchase of a
 13 hardware appliance includes a perpetual license to the included software. We recognize
 14 products revenue at the time of shipment, provided that all other revenue recognition
 criteria have been met. As a percentage of revenue, our products revenue may vary from
 15 quarter to quarter based on, among other things, the timing of orders and delivery of
 products, cyclicalities and seasonality, changes in currency exchange rates and the impact
 of significant transactions with unique terms and conditions.
 (Emphasis added)

16 37. The 1Q16 10-Q discussed A10’s internal controls, stating in relevant part:

17 **Changes in Internal Control over Financial Reporting**

18 There were no changes in our internal control over financial reporting identified in
 19 connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the
 Exchange Act that occurred during the quarter ended March 31, 2016 that have
 20 materially affected, or are reasonably likely to materially affect, our internal control
 over financial reporting.

21 38. On July 28, 2016, A10 issued a press release entitled, “A10 Networks, Inc. Reports
 22 Second Quarter 2016 Results” detailing its revenue for the second quarter of 2016, stating in relevant
 23 part:

24 **Second Quarter 2016 Financial Highlights**

- 25 • Record revenue of \$57.1 million, up 20 percent year-over-year
- 26 • Enterprise revenue of \$32.0 million, increased 16 percent year over-year
- 27 • Product revenue of \$38.8 million, up 16 percent year-over-year

• Cash and marketable securities increased to \$113.7 million, up from \$96.2 million at June 30, 2015

“We delivered record revenue as our high-end security and cloud-ready Thunder solutions continued to drive growth,” said Lee Chen, president and chief executive officer of A10 Networks. “We also significantly improved our bottomline results and we believe we are on track to meet our financial goals for the year. In addition to our strong performance in the quarter, we took a strategic step to accelerate the A10 Harmony vision and expand our addressable market with the acquisition of Appcito. Appcito is a cloud-native subscription service that maximizes the agility and improves the visibility and security of enterprise applications deployed in the cloud. Appcito fits into our vision to become the most comprehensive secure application services company in the industry and helps customers become more secure and agile as they bridge traditional and cloud application environments.”

Total revenue for the second quarter grew to \$57.1 million, up 20 percent when compared with \$47.5 million in the second quarter of 2015. On a GAAP basis, A10 Networks reported a net loss for the second quarter 2016 of \$4.9 million, or \$0.08 per share, compared with a net loss of \$10.0 million, or \$0.16 per share, in the second quarter of 2015. Non-GAAP net loss for the second quarter of 2016 was \$1.1 million, or \$0.02 per share, compared with a non-GAAP net loss of \$5.3 million, or \$0.09 per share, in the second quarter of 2015.

A reconciliation between GAAP and non-GAAP information is contained in the financial statements below.

39. On August 5, 2016, A10 filed its quarterly report on Form 10-Q with the SEC for quarter ending June 30, 2016 (the “2Q16 10-Q”). The 2Q16 10-Q was signed by Defendants Chen and Straughn and contained signed SOX certifications by Chen and Straughn. The 2Q16 10-Q discussed revenue recognition and seasonality of revenue, stating in relevant part:

Revenue

Our products revenue primarily consists of revenue from sales of our hardware appliances upon which our software is installed. Such software includes our ACOS software platform plus one of our ADC, CGN, TPS or CFW solutions. Purchase of a hardware appliance includes a perpetual license to the included software. **We recognize products revenue at the time of shipment, provided that all other revenue recognition criteria have been met. As a percentage of revenue, our products revenue may vary from quarter to quarter based on, among other things, the timing of orders and delivery of products, cyclicalities and seasonality, changes in currency exchange rates and the impact of significant transactions with unique terms and conditions.**

(Emphasis added).

1 40. The 2Q16 10-Q discussed A10's internal controls, stating in relevant part:

2 **Changes in Internal Control over Financial Reporting**

3 There were no changes in our internal control over financial reporting identified in
4 connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the
5 Exchange Act that occurred during the quarter ended June 30, 2016 that have
6 materially affected, or are reasonably likely to materially affect, our internal control
7 over financial reporting.

8 41. On October 27, 2016, A10 issued a press release entitled, "A10 Networks, Inc. Reports
9 Third Quarter 2016 Results; Board of Directors Authorizes Share Repurchase" which stated in relevant
10 part:

11 Total revenue for the third quarter grew to \$55.1 million, up 8 percent when compared
12 with \$50.8 million in the third quarter of 2015. On a GAAP basis, A10 Networks
13 reported a net loss for the third quarter 2016 of \$4.7 million, or \$0.07 per share,
14 compared with a net loss of \$9.0 million, or \$0.14 per share, in the third quarter of 2015.
15 Non-GAAP net income for the third quarter of 2016 was \$0.2 million, or \$0.00 per
16 share, compared with a non-GAAP net loss of \$4.4 million, or \$0.07 per share, in the
17 third quarter of 2015. A reconciliation between GAAP and non-GAAP information is
18 contained in the financial statements below.

19 "We reported third quarter revenue of \$55.1 million, which was below our guidance and
20 reflects a shortfall in North America where we received a couple orders too late in the
21 quarter to ship and some deals slipped into future quarters," said Lee Chen, president
22 and chief executive officer of A10 Networks. "While we are disappointed with our
23 topline performance, we continued to drive leverage in our operating model,
24 significantly improve our bottom-line results and invest in key areas of our business to
25 foster long-term growth. The share repurchase authorization announced today reflects
26 our confidence in our market opportunities and ability to meet our financial objectives."

27 42. On November 3, 2016, A10 filed its quarterly report on Form 10-Q with the SEC for
28 quarter ending September 30, 2016 (the "3Q16 10-Q"). The 3Q16 10-Q was signed by Defendants
Chen and Straughn and contained signed SOX certifications by Chen and Straughn. The 3Q16 10-Q
discussed revenue recognition and seasonality of revenue, stating in relevant part:

Revenue

Our products revenue primarily consists of revenue from sales of our hardware
appliances upon which our software is installed. Such software includes our ACOS
software platform plus one of our ADC, CGN, TPS, and CFW solutions. Purchase of a
hardware appliance includes a perpetual license to the included software. We recognize
products revenue at the time of shipment, provided that all other revenue recognition
criteria have been met. As a percentage of revenue, our products revenue may vary from
quarter to quarter based on, among other things, the timing of orders and delivery of

products, cyclicalities and seasonality, changes in currency exchange rates and the impact of significant transactions with unique terms and conditions.

(Emphasis added)

43. The 3Q16 10-Q discussed A10's internal controls, stating in relevant part:

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

44. On February 9, 2017, A10 issued the press release entitled, "A10 Networks, Inc. Reports Fourth Quarter and Year 2016 Financial Results" which discussed the financial results for the fourth quarter 2016 and full year 2016 as well as disclosed that Defendant Straughn would be stepping down as CFO, stating in relevant part:

Fourth Quarter 2016 Financial Summary

- Record revenue of \$64.0 million, grew 13 percent year-over year
- GAAP net loss of \$1.8 million or \$0.03 per share
- Non-GAAP net income of \$2.3 million or \$0.03 per share

Year 2016 Financial Summary

- Record revenue of \$230.0 million, grew 16 percent over 2015
- GAAP net loss of \$20.9 million or \$0.32 per share
- Non-GAAP net loss of \$2.7 million or \$0.04 per share
- Deferred revenue grew 28 percent year-over-year to reach \$92.9 million
- Ended the year with \$114 million in cash, cash equivalents and marketable securities, an increase of \$16 million from last year

A reconciliation between GAAP and non-GAAP information is contained in the financial statements below.

"The fourth quarter was a strong close to the year with revenue exceeding guidance and growing 13 percent year-over-year to reach \$64 million. Our record performance was driven by strong demand for our security solutions and continued expansion with cloud provider, service provider and web-scale customers," said Lee Chen, president and chief executive officer of A10 Networks. "We also continued to drive leverage through our operating structure to make significant improvements in our bottom-line results, while at the same time, investing in key areas of our business."

Management Transition

A10 Networks announced that Greg Straughn has decided to step down from the role of CFO effective as of the filing of the company's 10-K. Straughn will remain with the company as an advisor until April to help facilitate a smooth transition. The board of

1 directors has appointed Shiva Natarajan as the company's interim CFO effective upon
2 Straughn's resignation. The company has initiated a search for a successor to Straughn

3 45. On February 24, 2017, A10 filed its annual report for the year ended December 31, 2016
4 on Form 10-K with the SEC (the "2016 10-K") which provided the Company's annual financial results
5 and position. The 2016 10-K signed by Defendants Chen and Straughn and contained signed SOX
6 certifications by Chen and Straughn. The 2016 10-K discussed revenue recognition and seasonality of
7 revenue, stating in relevant part:

8 ***Revenue***

9 Our products revenue primarily consists of revenue from sales of our hardware
10 appliances upon which our software is installed. Such software includes our ACOS
11 software platform plus one of our ADC, CGN, TPS, SSLi or CFW solutions. Purchase
12 of a hardware appliance includes a perpetual license to the included software. We
13 recognize products revenue at the time of shipment, provided that all other revenue
recognition criteria have been met. As a percentage of revenue, our products revenue
may vary from quarter to quarter based on, among other things, the timing of orders and
delivery of products, cyclicalities and seasonality, changes in currency exchange rates and
the impact of significant transactions with unique terms and conditions.

* * *

14 ***Revenue Recognition***

15 We derive revenue from two sources: (i) products revenue, which includes hardware and
16 perpetual software license revenue; and (ii) services revenue, which include post
17 contract support ("PCS"), professional services, and training. A substantial portion of
18 our revenue is from sales of our products and services through distribution channel
19 partners, such as resellers and distributors. Revenue is recognized, net of applicable
taxes, when all of the following criteria are met: persuasive evidence of an arrangement
exists, delivery or performance has occurred, the sales price is fixed or determinable,
and collection is reasonably assured.

20 We define each of the four criteria above as follows:

- 21 • Persuasive evidence of an arrangement exists. Evidence of an arrangement consists of
22 a purchase order issued pursuant to the terms and conditions of a master sales
agreement.
- 23 • Delivery or performance has occurred. We use shipping documents or written evidence
24 of customer acceptance, when applicable, to verify delivery or performance. We
25 recognize product revenue upon transfer of title and risk of loss, which primarily is upon
26 shipment to customers. We do not have significant obligations for future performance,
such as customer acceptance provisions, rights of return, or pricing credits, associated
with our sales.

1 • The sales price is fixed or determinable. We assess whether the sales price is fixed or
 2 determinable based on payment terms and whether the sales price is subject to refund or
 adjustment. Standard payment terms to customers range from 30 to 90 days.

3 • Collection is reasonably assured. We assess probability of collection on a customer-
 4 by-customer basis. Our customers are subjected to a credit review process that evaluates
 their financial condition and ability to pay for products and services.

5 46. The 2016 10-K discussed internal controls, stating in relevant part:

6 Our management is responsible for establishing and maintaining adequate internal
 7 control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the
 8 Exchange Act). Our management conducted an assessment of the effectiveness of our
 9 internal control over financial reporting based on the criteria set forth in Internal
 Control-Integrated Framework issued by the Committee of Sponsoring Organizations of
 the Treadway Commission (2013 framework). ***Based on the assessment, our***
 10 ***management has concluded that its internal control over financial reporting was***
 11 ***effective as of December 31, 2016 to provide reasonable assurance regarding the***
 12 ***reliability of financial reporting and the preparation of financial statements in***
accordance with GAAP.

13 (Emphasis added).

14 47. On April 27, 2017, A10 issued the press release entitled, “A10 Networks, Inc. Reports
 15 First Quarter 2017 Financial Results” which stated in relevant part:

16 **First Quarter 2017 Financial Summary**

- 17 • Revenue of \$60.3 million, grew 12 percent year-over-year
 18 • GAAP net loss of \$3.9 million or \$0.06 per share
 19 • Non-GAAP net income of \$0.7 million or \$0.01 per share

20 A reconciliation between GAAP and non-GAAP information is contained in the
 21 financial statements below.

22 “The first quarter was a solid start to the year with revenue growth driven by our
 23 security and cloud-focused solutions gaining momentum among cloud provider, service
 24 provider and web-scale customers,” said Lee Chen, president and chief executive officer
 of A10 Networks. “We believe the cloud presents a long-term growth opportunity for
 25 A10, and we are focused on bringing new solutions to market that give customers the
 visibility, agility, flexibility and security they need for their cloud deployments.”

26 48. On May 5, 2017, A10 filed its quarterly report on Form 10-Q with the SEC for quarter
 27 ending March 31, 2017 (the “1Q17 10-Q”). The 1Q17 10-Q was signed by Defendants Chen and

1 Natarajan and contained signed SOX certifications by Chen and Natarajan. The 1Q17 10-Q discussed
2 revenue recognition and seasonality of revenue, stating in relevant part:

3 **Revenue**

4 Our products revenue primarily consists of revenue from sales of our hardware
5 appliances upon which our software is installed. Such software includes our ACOS
6 software platform plus one of our ADC, CGN, TPS, SSLi or CFW solutions. Purchase
7 of a hardware appliance includes a perpetual license to the included software. *We*
8 *recognize products revenue at the time of shipment, provided that all other revenue*
9 *recognition criteria have been met. As a percentage of revenue, our products revenue*
10 *may vary from quarter to quarter based on, among other things, the timing of orders*
11 *and delivery of products, cyclicalities and seasonality, changes in currency exchange*
12 *rates and the impact of significant transactions with unique terms and conditions.*

13 (Emphasis added).

14 49. The 1Q17 10-Q discussed A10's internal controls, stating in relevant part:

15 **Changes in Internal Control over Financial Reporting**

16 There were no changes in our internal control over financial reporting during the quarter
17 ended March 31, 2017 that have materially affected, or are reasonably likely to
18 materially affect, our internal control over financial reporting.

19 50. On July 13, 2017, A10 issued the press release entitled, "A10 Networks Announces
20 Preliminary Second Quarter 2017 Financial Results" which stated in relevant part:

21 A10 Networks expects total revenue in the second quarter 2017 to be between \$52.5
22 million and \$53.5 million, below its prior guidance of \$62.0 million to \$64.0 million.
23 The company expects to report a GAAP net loss between \$0.12 and \$0.13 per share. On
24 a non-GAAP basis, the company expects to report a net loss between \$0.05 and \$0.06
25 per share, using approximately 69.8 million basic shares, which is below the previous
26 guidance for non-GAAP net income of \$0.01 to \$0.03 per share, using approximately
27 76.6 million diluted shares. A preliminary reconciliation between GAAP and non-
28 GAAP information is contained in the financial statements below.

"We are disappointed with our preliminary results. Revenue came in below our
guidance as a number of opportunities in our pipeline did not close primarily in North
America and to a lesser degree in Japan. Key deals remain in our pipeline and we are
diligently working to improve our execution," said Lee Chen, president and chief
executive officer of A10 Networks. "We remain confident that our investments in
security and cloud will serve as a strong foundation to penetrate these faster-growing
segments of our market."

1 These are preliminary results and remain subject to the completion of the company's
 2 customary quarterly close and review procedures. Material adjustments may arise
 3 between the date of this press release and the dates on which A10 Networks announces
 its full second quarter 2017 results and files its Form 10-Q for the period with the SEC.

4 51. On August 3, 2017, A10 filed its quarterly report on Form 10-Q with the SEC for quarter
 5 ending June 30, 2017 (the "2Q17 10-Q"). The 2Q17 10-Q was signed by Defendants Chen and
 6 Constantino and contained signed SOX certifications by Chen and Constantino. The 2Q17 10-Q
 7 discussed revenue recognition and seasonality of revenue, stating in relevant part:

8 **Revenue**

9 Our products revenue primarily consists of revenue from sales of our hardware
 10 appliances upon which our software is installed. Such software includes our ACOS
 11 software platform plus one of our ADC, CGN, TPS, SSLi or CFW solutions. Purchase
 12 of a hardware appliance includes a perpetual license to the included software. *We*
 13 *recognize products revenue at the time of shipment, provided that all other revenue*
recognition criteria have been met. As a percentage of revenue, our products revenue
may vary from quarter to quarter based on, among other things, the timing of orders
and delivery of products, cyclicalities and seasonality, changes in currency exchange
rates and the impact of significant transactions with unique terms and conditions.

14 (Emphasis added).

15
 16 52. The 2Q17 10-Q discussed A10's internal controls, stating in relevant part:

17 ***Changes in Internal Control over Financial Reporting***

18 There were no changes in our internal control over financial reporting during the quarter
 19 ended June 30, 2017 that have materially affected, or are reasonably likely to materially
 20 affect, our internal control over financial reporting.

21 53. On September 28, 2017, A10 issued the press release entitled, "A10 Networks Expects
 22 Third Quarter 2017 Revenue to Exceed Prior Outlook" which reported that the Company expected to
 23 exceed guidance for its third quarter 2017 revenue, stating in relevant part:

24 SAN JOSE, Calif., Sept. 28, 2017 – A10 Networks, Inc. (NYSE: ATEN), a Secure
 25 Application Services™ company, *today announced that it expects revenue for its third*
 26 *quarter 2017 to exceed management's prior outlook provided on July 27, 2017. A10*
Networks currently expects revenue to be between \$59 million and \$60 million, above
its prior guidance of \$53 million to \$57 million. The company also expects to report a
 27 profit on a non-GAAP basis.

1 The company also announced the departure of Ray Smets, EVP of worldwide sales,
 2 effective in the fourth quarter. The company has initiated a search for a new worldwide
 3 sales leader, and during the interim, Tom Constantino, CFO of A10 Networks, will
 assume responsibility of the sales organization.

4 “We expect to deliver a strong third quarter, led by sales into our marquee service
 5 provider customers. We look forward to discussing our full results on our conference
 6 call in October,” said Lee Chen, president and chief executive officer of A10 Networks.
 7 “Ray has been a key contributor to A10, including building a strong sales team. We
 thank Ray for his service and wish him all the best in his future endeavors. We have
 8 considerable talent within A10 and are confident in our ability to manage a smooth
 9 transition.”

(Emphasis added).

10 54. On October 30, 2017, the Company held a conference call to discuss its third quarter of
 11 2017 financial results and earnings. On this call, Defendant Constantino issued guidance for the fourth
 12 quarter of 2017, stating in relevant part:

***Moving on to our outlook. We currently expect fourth quarter revenue to be in the
 13 range of \$64 million to \$67 million. We expect gross margin to remain in the 75% to
 14 77% range and operating expenses to be between \$46 million and \$47 million. We
 15 expect our non-GAAP bottom line results to be between a profit of \$0.01 and \$0.07 per
 share, using approximately 74 million shares on a diluted basis.***

16 (Emphasis added).

17 55. On November 2, 2017, A10 filed its quarterly report on Form 10-Q with the SEC for
 18 quarter ending September 30, 2017 (the “3Q17 10-Q”). The 3Q17 10-Q was signed by Defendants
 19 Chen and Constantino and contained signed SOX certifications by Chen and Constantino. The 3Q17
 20 10-Q discussed revenue recognition and seasonality of revenue, stating in relevant part:

Revenue

21 Our products revenue primarily consists of revenue from sales of our hardware
 22 appliances upon which our software is installed. Such software includes our ACOS
 23 software platform plus one of our ADC, CGN, TPS, SSLi or CFW solutions. Purchase
 24 of a hardware appliance includes a perpetual license to the included software. ***We
 25 recognize products revenue at the time of shipment, provided that all other revenue
 26 recognition criteria have been met. As a percentage of revenue, our products revenue
 may vary from quarter to quarter based on, among other things, the timing of orders
 and delivery of products, cyclicity and seasonality, changes in currency exchange
 rates and the impact of significant transactions with unique terms and conditions.***

27 (Emphasis added).

56. The 3Q17 10-Q discussed A10's internal controls, stating in relevant part:

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

57. The statements referenced above were materially false and/or misleading because they misrepresented and failed to disclose the following adverse facts pertaining to the Company's business, operational and financial results, which were known to the Individual Defendants or recklessly disregarded by them. Specifically, the Individual Defendants made, or caused to be made, false and/or misleading statements and/or failed to disclose that: (1) A10 had issues with its internal controls that required an Audit Committee investigation; (2) A10's revenues since the fourth quarter of 2015 were false due to improper revenue recognition which prompted an investigation by the Company's Audit Committee; and (3) as a result, the public statements were materially false and misleading at all relevant times.

DERIVATIVE AND DEMAND ALLEGATIONS

58. Plaintiff brings this action derivatively in the right and for the benefit of A10 to redress the breaches of fiduciary duty and other violations of law by Defendants.

59. Plaintiff will adequately and fairly represent the interests of A10 and its shareholders in enforcing and prosecuting its rights.

60. The Board currently consists of the following six (6) directors: defendants Chen, Chung, Cochran, Henricks, Salsbury, and non-party Tor R. Braham who joined the Board in December 2017. Plaintiff has not made any demand on the present Board to institute this action because such a demand would be a futile, wasteful and useless act, for the following reasons:

1. Chen and Cochran are Not Independent

The principal professional occupation of defendant Chen is his employment with A10 as its CEO, pursuant to which he has received and continues to receive substantial monetary compensation and other benefits. The principal professional occupation of defendant Cochran is his employment with A10 as Executive Vice President, Legal and Corporate Collaboration pursuant to which he has received

1 and continues to receive substantial monetary compensation and other benefits. Moreover, in the
2 Company's Proxy Statement filed on April 14, 2017, the Board has admitted that both Chen and
3 Cochran are not independent directors. In other words, Chena and Cochran's own peers have
4 determined that Chen and Cochran are incapable of exercising independent business judgment with
5 respect to a demand. Thus, both Chen and Cochran lack independence from demonstrably interested
6 directors, rendering them incapable of impartially considering a demand to commence and vigorously
7 prosecute this action.

8 **2. The Audit Committee Defendants Face a Substantial Likelihood of Liability**

9 The Audit Committee Defendants, (Chung, Henricks, and Salsbury) face a substantial likelihood
10 of liability as a result of their service on the Board's Audit Committee. Pursuant to the Company's
11 Audit Committee Charter, the members of the Audit Committee were and are responsible for, *inter alia*,
12 reviewing the Company's annual and quarterly financial reports and reviewing the integrity of the
13 Company's internal controls. Defendants Chung, Henricks, and Salsbury breached their fiduciary
14 duties of due care, loyalty, and good faith, because the Audit Committee, *inter alia*, allowed or
15 permitted the Company to disseminate false and misleading statements in the Company's SEC filings
16 and other disclosures and caused the above-discussed internal control failures. Moreover, as members
17 of the Audit Committee, Chung, Henricks, and Salsbury have been charged with conducting an
18 investigation into their own conduct and accordingly a reasonable A10 shareholder would have reason
19 to doubt that the Audit Committee Defendants could respond independently or disinterestedly to a pre-
20 suit demand. Therefore, the Audit Committee Defendants each face a substantial likelihood of liability
21 for their breach of fiduciary duties and any demand upon them is futile.

22 **COUNT I**
23 **AGAINST ALL DEFENDANTS FOR BREACH OF FIDUCIARY DUTY FOR**
24 **DISSEMINATING FALSE AND MISLEADING INFORMATION**

25 61. Plaintiff incorporates by reference and realleges each and every allegation set forth
26 above, as though fully set forth herein.
27
28

62. As alleged in detail herein, each of the Defendants (and particularly the Audit Committee Defendants) had a duty to ensure that A10 disseminated accurate, truthful and complete information to its shareholders.

63. Defendants violated their fiduciary duties of care, loyalty, and good faith by causing or allowing the Company to disseminate to A10 shareholders materially misleading and inaccurate information through, *inter alia*, SEC filings, press releases, conference calls, and other public statements and disclosures as detailed herein. These actions could not have been a good faith exercise of prudent business judgment.

64. As a direct and proximate result of Defendants' foregoing breaches of fiduciary duties, the Company has suffered significant damages, as alleged herein.

COUNT II
AGAINST ALL DEFENDANTS FOR BREACH OF FIDUCIARY DUTIES
FOR FAILING TO MAINTAIN INTERNAL CONTROLS

65. Plaintiff incorporates by reference all preceding and subsequent paragraphs as if fully set forth herein.

66. As alleged herein, each of the Defendants (and particularly the Audit Committee Defendants) had a fiduciary duty to, among other things, exercise good faith to ensure that the Company's financial statements were prepared in accordance with GAAP, and, when put on notice of problems with the Company's business practices and operations, exercise good faith in taking appropriate action to correct the misconduct and prevent its recurrence.

67. Defendants willfully ignored the obvious and pervasive problems with A10's internal controls and practices and procedures and failed to make a good faith effort to correct these problems or prevent their recurrence.

68. As a direct and proximate result of the Defendants' foregoing breaches of fiduciary duties, the Company has sustained damages.

COUNT III
AGAINST ALL DEFENDANTS FOR UNJUST ENRICHMENT

69. Plaintiff incorporates by reference and realleges each and every allegation set forth above, as though fully set forth herein.

70. By their wrongful acts and omissions, Defendants were unjustly enriched at the expense of and to the detriment of A10.

71. Plaintiff, as a shareholder and representative of A10, seeks restitution from Defendants, and each of them, and seeks an order of this Court disgorging all profits, benefits, and other compensation obtained by Defendants, and each of them, as a result of their wrongful conduct and fiduciary breaches.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment as follows:

A. Against all Defendants and in favor of the Company for the amount of damages sustained by the Company as a result of Defendants' breaches of fiduciary duties;

B. Directing A10 to take all necessary actions to reform and improve its corporate governance and internal procedures to comply with applicable laws and to protect the Company and its shareholders from a repeat of the damaging events described herein, including, but not limited to, putting forward for shareholder vote resolutions for amendments to the Company's By-Laws or Articles of Incorporation and taking such other action as may be necessary to place before shareholders for a vote a proposal to strengthen the Board's supervision of operations and develop and implement procedures for greater shareholder input into the policies and guidelines of the Board;

C. Awarding to A10 restitution from Defendants, and each of them, and ordering disgorgement of all profits, benefits and other compensation obtained by the Defendants;

D. Awarding to Plaintiff the costs and disbursements of the action, including reasonable attorneys' fees, accountants' and experts' fees, costs, and expenses; and

E. Granting such other and further relief as the Court deems just and proper.

JURY DEMAND

Plaintiff demands a trial by jury.

DATED: May 30, 2018

/s/James M. Ficaró
THE WEISER LAW FIRM, P.C
ROBERT B. WEISER
BRETT D. STECKER
JAMES M. FICARO
22 Cassatt Avenue
Berwyn, PA 19312
Telephone: (610) 225-2677
Facsimile: (610) 408-8026
rw@wesierlawfirm.com
bds@weiserlaefirm.com
jmf@wesierlawfirm.com

/s/Todd D. Carpenter
CARLSON LYNCH SWEET
KILPELA & CARPENTER, LLP
Todd D. Carpenter (CA 234464)
1350 Columbia Street, Ste. 603
San Diego, California 92101
Telephone: (619) 762-1910
Facsimile: (619) 756-6991
tcarpenter@carlsonlynch.com

Counsel for Plaintiff